

D R A F T

23 April 1945

OGC Has Reviewed

Civil Service Commission
Washington, D. C.

Retirement Division

According to the Appropriation Act for this Agency, approved 28 June 1944, \$37,000,000 "may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the Government service, and \$35,000,000 of such \$37,000,000 may be expended for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of the Office of Strategic Services". As you know, these funds are designated .002 funds and .003 funds, respectively.

These funds are used in part to compensate personnel for personal services. It has been the policy of OSS in the past to make deductions for the Civil Service retirement and disability fund from the salaries of personnel paid from .002 funds. For security reasons, no deductions for this purpose have been made in the case of personnel paid from .003 funds.

In view of the language of the OSS Appropriation Act this Agency is desirous of knowing if the CSC will allow credit for past service, including the privilege of making deposits to the civil-service retirement and disability fund, for the period when an individual has been employed by OSS on .002 or .003 funds.

Note that OSS personnel are considered employees of the Service can be appointed for indefinite periods - not a year or less.

This .002 employee has retirement status
under "Civil Service Retirement Act."

CPK of Wm Gilt.

At end of year on 2806.